

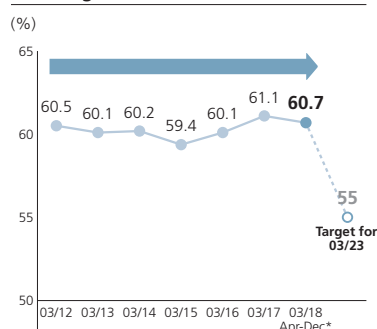
19th Mid-Term Management Plan (April 2017–March 2020)

In the year ended March 31, 2018, we rolled out the RICOH Resurgent strategy to enhance our strengths and refine our implementation capabilities to deliver growth. Over two years through March 31, 2020, we aim to pursue challenging targets companywide in steering toward growth.

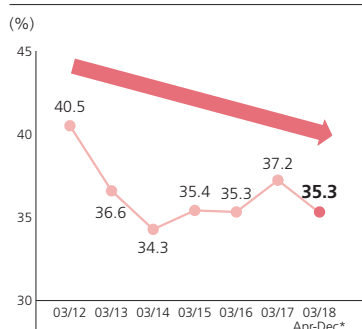
Key RICOH Resurgent initiatives in first year of 19th Mid-Term Management Plan

	Implementation
Cost structure reforms and streamlining <ul style="list-style-type: none"> Reviewed in-house manufacturing focus Revamped direct sales and service 	<ul style="list-style-type: none"> Integrated or closed production sites Rationalized product line-up created in-house Streamlined headquarters and back office operations
Business process reforms <ul style="list-style-type: none"> Improved digitized processes 	<ul style="list-style-type: none"> Enhanced productivity by expanding shared services Improved maintenance processes by enhancing service capabilities across more MFP models Lowered costs through production automation
Business focus No stone left unturned in evaluating businesses based on the following criteria: <ul style="list-style-type: none"> Businesses that can grow with internal resources Businesses with growth potential but without resources Businesses with no growth potential 	<ul style="list-style-type: none"> Transferred shares in electronic devices business (80%) Transferred shares in San-Ai Kanko (70%) Completely divested our stake in Coca-Cola Bottlers Japan Holdings Changed support policy for Ricoh India
Overhaul governance	<ul style="list-style-type: none"> Limit director terms to one year Establish performance evaluation system for internal directors Abolish management advisory system Set up governance review committee
Strengthened and reformed headquarters functions	<ul style="list-style-type: none"> Reorganized Enhanced new business creation structure Rebuilt processes Strengthened accounting and finance capabilities Improved corporate underpinnings Reviewed business management units in keeping with strategic switch Strengthened investor and shareholder relations
Reinforce global governance (Review in light of Ricoh India)	<ul style="list-style-type: none"> Have headquarters accounting department manage financial affairs of overseas subsidiaries and transactions exceeding certain amounts Review criteria for appointing accounting firms of overseas subsidiaries Strengthen internal audit by creating a global audit team structure Replace accounting auditors of Group subsidiaries

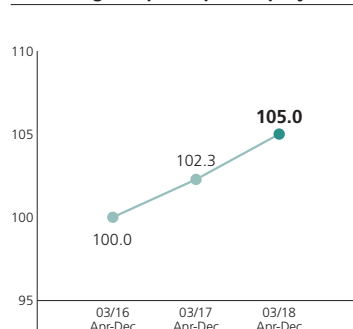
Cost of goods ratio



SG&A ratios



Index of gross profit per employee



*03/18 Apr-Dec: Excluding expense for structural reform and transient gain/expense.

(03/16 Apr-Dec = 100)

From second year of 19th Mid-Term Management Plan: Pursuing Ignite Group growth strategy

Growth Strategy Fundamentals

Develop businesses that leverage our strengths

- Draw on our strengths to cater to on-demand printing and mass customization needs

<Our strengths>

- Customers, sales and service network, and total number of devices
- Print and capture (optical and imaging) technologies embedded in our devices

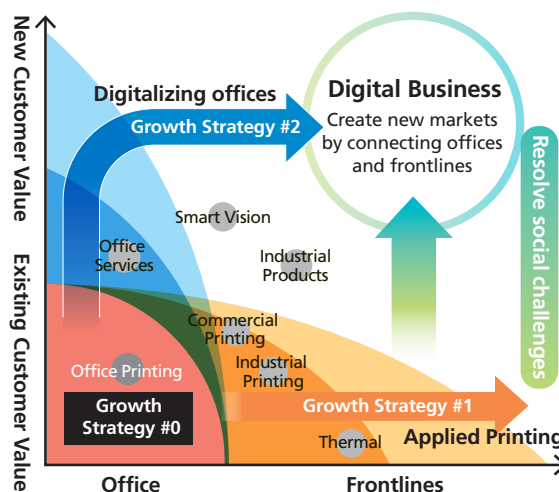
An open management style

- Eliminate self-sufficiency by creating new businesses harnessing open innovation and external capital
- Launch improved digitized processes by leveraging cloud-based groupware worldwide and making communications more open

Focused investments

- Plan to invest more than ¥200 billion in M&A across FY 2019/03 and FY 2020/03

RICOH Ignite Growth Strategy



Growth strategy #0

Evolve MFP, enhance our operations and secure our customer base

Growth strategy #1

Expand customer base by pursuing possibilities of printing technologies
"Display printing" to "Applied printing"

Growth strategy #2

Add Ricoh-oriented value to customer base, and connect offices & frontlines

Key Initiatives and KPIs for FY 2019/03

Growth Strategy 0	<ol style="list-style-type: none"> 1. Improve ability to generate earnings through rigorous sales price management 2. Build model plants for digital manufacturing 3. Streamline maintenance service operations 	KPI: MFP sales prices Total A3 and A4 MFP sales divided by number of units sold
Growth Strategy 1	<ol style="list-style-type: none"> 1. Increase of commercial printer MIF by launching new models 2. Set up inkjet head technical support sites 3. Secure external resources through acquisitions and other means 	KPI: Number of new models sold Global units sales of strategic Pro C7200S series and Pro C9200 series
Growth Strategy 2	<ol style="list-style-type: none"> 1. Prioritization based on business and regional characteristics 2. Enrichment of applications on the integrated platform 3. Secure external resources through acquisitions and other means 	KPI: Number of application downloaded units Number of MFPs operating with applications on integrated platform

Business portfolio transformation Invest ¥100 billion in each of growth strategy #1 and #2 to diversify our business portfolio

